

***United States Court of Appeals
for the Second Circuit***



**APPELLANT'S
REPLY BRIEF**

ORIGINAL

76-7134

United States Court of Appeals
FOR THE SECOND CIRCUIT

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U. S. PHILIPS CORP.,
Plaintiff-Appellee,
v.

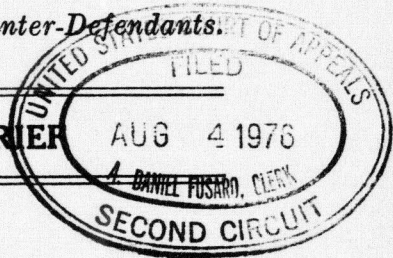
NATIONAL MICRONETICS INC., ET AL.,
Defendants-Appellants,
v.

P/S

NORTH AMERICAN PHILIPS CORPORATION, and
N. V. PHILIPS GLOEILAMPENFABRIEKEN,

Counter-Defendants.

APPELLANTS' REPLY BRIEF



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Cross-Defendants-Appellees.

APPELLANTS' REPLY BRIEF

In our main brief, we endeavored to demonstrate, by relying on what we understand to be the controlling law and the operative facts, that the Peloschek patent is invalid no matter how viewed, whether as (1) an application of the well-known capillary fill technique historically used to fill gaps and bond together confronting surfaces, or (2) a substitution of the capillary technique for the sandwich technique in filling the pre-set gap core of Duinker, or (3) an aggregation of using the old capillary process to fill the pre-set gap of the old Duinker core without producing a synergistic result.

Philips' avoided coming to grips with the primary arguments of our brief, and instead rests on secondary considerations of alleged long felt want and unsuccessful efforts of others. Its argument of long-felt want is bot-

tomed on the existence of six patents; those patents are assertedly evidence of attempted solutions by others. We are glad to meet Philips on any ground it urges, and we shall demonstrate in this brief that there was no problem, or long felt want or commercial success, or any other secondary consideration.

Moreover, the six earlier patents, upon which Philips relies to establish the existence of a problem occurred over a period of time earlier than the most pertinent prior art; i.e., prior to the work of Peloschek's co-worker Duinker. It was Duinker who furnished Peloschek with a glass bonded ferrite core in which the gap was pre-set by shims. Almost determinative of Philips entire case as presented, is the Supreme Court's decision in the *Graham* case, in which the Court held that unsuccessful attempts to reach a solution to the problem made prior to the date of the most pertinent prior art is "wholly irrelevant." (383 U.S. 1, 36). If the six earlier patents are deemed "wholly irrelevant," Philips entire case, which is dependent upon those six patents for the sole evidentiary support of the existence of a problem and the efforts of others to solve the problem, fails for lack of an adequate legal premise. We shall not rely on syllogism, however, to establish the invalidity of the Peloschek patent. The record established its invalidity no matter how viewed, and even from a vantage point most favorable to Philips.

**This Case Comes Within
of Non-Patentability**

**Classic A&P Doctrine
of Non-Patentability**

Perhaps, the most often-quoted statement from the *A&P* case* reads:

"The function of the patent is to add to the sum of useful knowledge. Patents cannot be sustained when,

* *A&P Tea Co. v. Supermarket Corp.*, 340 U.S. 147, 152 (1950).

on the contrary, their effect is to substract from former resources freely available to skilled artisans."

And at 155:

"The invention, to justify a patent had to serve the ends of science—to push back the frontiers of chemistry, physics, and the like; to make a distinctive contribution to scientific knowledge."

We submit, the rule of the *A&P* case is dispositive of this case. The effect of the Peloschek patent is an attempt to subtract from former resources freely available to skilled artisans the use of the capillary process for filling the ordinary core gap. The patent, manifestly has made no contribution to scientific knowledge. It is directed to an old process—capillary—for filling the same old core gap. The process was old prior to Peloschek, as was the product made by the process.

The Magnetic Head Is Part of the Prior Art

It is recalled that Duinker of Dutch Philips developed the glass-bonded ferrite core long prior to the Peloschek process.

It was exactly this core with the shim-spaced pre-set gap that was handed to Peloschek and a few others* at Dutch Philips for the purpose of considering alternative processes for filling the pre-set gap, and to select the process which might be the most commercially advantageous (A-123a-131a; 147a-148a, 200a-205a; DX-U, A-557a, DX-T, A-554a).

* Philips, at p. 6 of its typewritten brief, states that a committee of "about ten of its leading scientists from three of its major laboratories" worked on the problem. The statement is a gross-exaggeration of the record. In fact, the co-patentee, Mr. Vrolyks, was only a high-school graduate, and there is no probative evidence of the background of any of the other persons who considered alternative processes (A-119a).

Essentially, there were only three known processes for consideration. The first was to form a glass layer on each of the pole faces, and subsequently to bond them together at a suitable temperature; the second was to place glass in whatever form (powder, foil, or rod) between the shim-spaced pole faces, and to subject the assembly to a suitable temperature to cause the glass to melt and fill the gap (sandwich process); and, the third known process was to draw the non-magnetic material into the gap by capillary action. Duinker used glass foil in the sandwich process and obtained a patent on that (PX-141, A-350a); another Dutch Philips employee named Visser* used a glass rod instead of the foil and obtained a patent on that (PX-248 A-511a); and Peloschek used a glass rod in the capillary process and Philips obtained a patent on that too.

The Capillary Process Is Part of the Prior Art

Philips argues that the prior art relied upon by Micro-netics, which discloses capillary as a manufacturing gap-filling process, is not germane because it is not specific to a glass-bonded ferrite magnetic core. The argument is faulty for several reasons.

First, the prior art disclosing the capillary-fill process is precisely in the same field as the Peloschek patent; i.e., in the magnetic head field (German patent DX-P, A-549a); it is also in the closely related magnetic components field (Grant DX-G, A-515a**, DeJean DX-M, A-539a, Feinberg

* The patent, PX-248, A-511a, is actually in the names of J. E. Visser and Mr. Vrolyks; for simplicity, however, we shall refer to the patent as the Visser patent.

** Plaintiff again urges here, as it unsuccessfully did below that the two magnetic materials in Grant are in "direct contact"; A-310a-311a was cited as authority. Attention, however, is invited to A-311a, Grant DX-G, A-515a at column 2, lines 26-34, and the Opinion, p. 30, all flatly contradicting this argument. The two magnetic members are expressly stated to be spaced a "fixed distance" apart and bonded together by the non-magnetic filler.

DX-N, A-543a); and in the generally related electronics field (Reichenbaum DX-I, A-522a), and glass-to-metal seal field (Hill DX-O, A-548a).

Second, to suggest that the only pertinent area of prior art is glass-bonding is to disregard its own patent. The Peloschek patent contains fifteen claims, and only three of the fifteen claims specify glass as the gap-filling material; the remaining 12 claims cover under their monopolistic umbrella any gap-filling non-magnetic material which is capable of bonding the ferrite pole faces together. Thus, twelve of the fifteen claims (i.e., 4/5 of the claims) cover epoxy, copper and non-magnetic solders, which are the non-magnetic materials specifically disclosed in the prior art.

Third, and most significantly, the trial court in commenting on the relevant prior art found,

The prior art indicates the widespread use of capillary action to fill minute gaps * * *."

Thus, the record clearly establishes, and the court found, that the capillary-fill process was part of that public fund of knowledge from which artisans could draw freely.

If the patent is sustained, Philips will have successfully subtracted from the freely available resources and usurped for itself for 17 years the exclusive right to use the well-known capillary process for filling the same precise gap in the prior art core.

Philips' Argument That Capillary Solved the "Bubble" Problem Is Contrived and Legally Incompetent

Whether or not capillary solved a "bubble" problem is of no legal moment to the issue of obviousness. The sole question, we submit, is whether it was "obvious", in light of all the existing knowledge to consider using any of the available processes, including capillary, in the selection of

a suitable commercial process. Any advantages, expected or unexpected, from the use of an obvious process does not legally affect the patentability of the process. *General Electric Co. v. Jewel*, 326 U.S. 242 (1945); *Preuss v. General Electric Co.*, 392 F.2d 29 (2 Cir. 1968).

Moreover, contrary to the often repeated argument by Philips, the sandwich process was not responsible for air bubbles. The Philips' Visser patent, PX-248 A-511a, filed four days earlier than the Peloschek patent in Holland, but three days later in the United States*, is directed specifically to the sandwich process. That patent addresses itself to the "bubble" problem, which it explains is attributable to the glass foil used by Duinker (Col. 1, lines 23-42). According to the Visser sandwich process, the problem of bubbles was solved simply by using a glass rod instead of glass foil between the shim spaced pole faces. Thus, the argument that the bubble problem was caused by the sandwich process and was uniquely solved by the capillary process is demonstrably false and refuted by Philips' own Visser patent. If it existed at all, it was caused by the glass foil as the starting gap-fill material.

The Visser patent is interesting also because it highlights the "twiddle-dee twiddle-dum" difference between the sandwich and capillary processes. Figure 3 of Visser, apparently through draftsman error, shows the glass rod at the outside of the gap so that this Figure is an illustration of the assembly for the capillary process (A-511a). The patent illustrates the substantial identity between Peloschek, and the prior art sandwich core assembly. All use the same ferrite pole faces spaced apart by the shims to define the same pre-set gap, and the use of glass as the

* Although it is arguable as to whether this patent is technically prior art, because of its later U. S. filing, there is no question that it is relevant on the issue of obviousness. See Judge Learned Hand in *Ruben Condenser Co. v. Aerovox Corp.*, 77 F.2d 266 at 268 (2 Cir. 1935).

filler material. In both Peloschek and the prior art, the assembly is subjected to heat and pressure* to melt the glass and cause the glass to flow.

In the sandwich process, the glass is melted and flows from the inside to the edge; whereas, in the capillary process, the glass is melted and flows from the edge to the inside. There is no other difference between the prior art and Peloschek; one flows from the inside out, and the other flows from the outside in.

Capillary Was A Logical and Ordinary Process To Be Considered

Philips wishes this Court to believe that capillary, because it required raising the temperature to the melting point of glass, was contra-indicated. Again, Philips' argument is refuted by its own record and by the findings of the trial court.

The prior art discloses heating the glass to the melting temperature for bonding ferrite pole faces. Visser (whether prior art or contemporaneous) discloses heating the glass to its melting temperature at column 2, lines 36-39 (PX-248, A-511a). The melting step is also mentioned in the claim at column 4, line 5.

In the earlier Duinker Patent 3,117,367 (DX-K, A-529a),** known to Peloschek, the glass is described as being melted in the bonding process. In claim 1 of the patent, col.

* The amount of pressure is, of course, dictated by the circumstances. In the sandwich process, the amount of pressure is that required to push down on the molten glass and cause it to flow to the gap edges. In the capillary process, the amount of pressure is that required to prevent the inflowing glass from pushing the pole face upwardly and away from the shims.

** It is also this patent that disclosed the use of shims to form the pre-set gap (col. 2, lines 23-26, 53-54).

3, lines 57-59, reference is expressly made to the step of heating the assembly to a temperature in "the melting range of the glass." Thus, all knew, including Peloschek that melted glass was compatible with and bondable to ferrite. Thus, melting of glass in the bonding process was not at all contra-indicated; instead, it was commonly used in the prior art known to Peloschek.

The trial court also found that the prior art, including Duinker and Pfost, disclose that glass wets ferrite and, therefore, teach that glass when molten is a capillary-flow material and is both compatible with and bondable to ferrite (A-62a).

Peloschek, of course, can claim no credit for the selection of glass as the gap filler material as glass was the mandated material for the Duinker-type core to be made.

**There Is No Probative Evidence of Any Problem or
That Anyone Prior to Peloschek Was Seeking
Another Process for Filling the Gap**

Philips argues that patents of others relating to core manufacture is evidence that such others were seeking to solve a problem. We submit, the trial court was generous to Philips when it stated that such evidence was meager. We submit, it is non-existent.*

First, in regard to Philips, we know from the record that when alternative methods were considered, capillary was almost reflexively suggested. We also know that Visser

* Philips, at 5-7 of its typewritten brief, wishes this Court to believe that efforts were expended over a period of 10 years to find a suitable process. This is another example of a gross-exaggeration of the record. The only probative evidence on the amount of time anyone spent in considering an alternative process is Vrolyks testimony and memorandum which indicate that Vrolyks almost immediately considered the well-known capillary process as a suitable gap-filling manufacturing process (DX-U, A-557a, DX-T, A-554a-556a).

used the sandwich process with a glass rod which eliminated the bubble problem. Indeed, Philips first used the Visser sandwich technique when it began to manufacture heads on a commercial basis (A 216a-219a). Thus, contrary to the assertion of Philips, the problem of bubbles is not indigenous to the sandwich process at all but exists only when glass foil material is used.

The prior patent to Pfof (DX-L, A-533a), assigned to Ampex discloses the process of coating a layer of glass of desired thickness on each pole face and subsequently bonding the two faces together. It does not use glass foil and, therefore, presumably is not troubled with bubbles. There is nothing in the record to indicate that Ampex is not using its patented technique with complete satisfaction. To convert that patent into an evidentiary showing of a problem and a failure of solution, is without any support in logic or law.

A similar analysis can be made of every third-party patent relied upon by Philips to support its fabrication of a problem. The record simply does not support the argument that a problem existed or that anyone futilely searched for a solution.

Second, we know that Philips attempted vigorously to sell licenses to many companies under its Peloschek patent, but no one was willing to pay the price for a license under that patent (A-263a-266a; DX-NN, A-561a; Admissions 59-85, A-579a-582a).*

* Plaintiff states that IBM took a license under the Peloschek patent. Plaintiff's citation, PX-205, is to a broad "field of use" license between plaintiff U.S. Philips and IBM, involving 1500 patents of which Peloschek is just a fungible one. Moreover, by separate field of use license agreement of even date between IBM and Dutch Philips (DX-Y not printed in the Appendix), IBM received penny-for-penny the royalty it was to pay U.S. Philips. Thus, IBM paid nothing for the 1500+ licensed patents, including Peloschek.

Plaintiff's much pressed "IBM license" was simply ignored by the trial court.

Third, the Peloschek process became known in May 1962. If there truly was a pressing problem in want of a solution, one would expect the industry immediately to adopt the process. In fact, no one used the capillary process until 1967-69 when IBM began selling computer memories with glass bonded ferrite cores. This demonstrates a lack of need and effectively vitiates the argument of long-felt want; *Formal Fashions Inc. v. Braiman Bows, Inc.*, 369 F.2d 536, 539 (2 Cir. 1966), and *Paramount Publix Corp. v. American Tri-Ergon Corp.*, 294 U.S. 464, 476 (1935).

Indeed, there is no indication in the record as to the source of IBM's commercial process, or that IBM did not independently derive its own process from its knowledge of the widespread use of capillary. Indeed, the record is even silent as to whether IBM is currently using the capillary or sandwich or other process similar to Ampex's. Philips conducted very extensive discovery during pretrial but chose not to discover IBM. It may not now benefit from a silent record by implications.

Finally, on this issue of what other persons did or did not do, we know that Dutch Philips (and presumably only its employees) had the benefit of Duinker's work. Duinker provided Peloschek with the core assembly equipped with a shim defined pre-set gap. The only question presented to Peloschek was to select from the available processes a suitable process for filling that gap; nothing more. These few other third-party patentees did not have the benefit of Duinker's work prior to the issuance of his spacer patent (DX-K, A-529a) which was in Jan. 1964. All of the third-party patents were filed well in advance of that date. Thus, Peloschek was uniquely equipped with prior art information not available to others, and his "contribution" should be evaluated in the context of the prior art known to him; i.e., a glass bonded core with a pre-set gap. It does not aid the Peloschek patent to point to problems other patentees may have had when the fund of knowledge available to them was incomplete and less than the knowl-

edge available to Peloschek. *Paramount Publix Corp. v. American Tri-Ergon Corp.*, *supra*, 294 U.S. at 474-477.

Indeed, the reliance by Philips on the alleged unsuccessful efforts by others before the Duinker shim patent (DX-K A-529a) is "wholly irrelevant." The Supreme Court in the *Graham* case, 383 U.S.1, 36 said:

"* * * and unsuccessful attempts to reach a solution to the problems confronting Scoggin made before that time became wholly irrelevant."

The "time" referred to in the quote is when the most pertinent prior art became known to Scoggin.

In any event, we know from the record, when Duinker's core, equipped with the shim pre-set gap, was handed to Peloschek for selection of a suitable gap-filling technique, there were only three known process for consideration. We submit, it is "obvious" in the classic patent law sense to try all three and select the best. That is precisely what the skilled workman is expected to do and that is all Peloschek did. (Please see cases cited in our main brief, at pages 17, 18 and 24).

The Claims Do Not Point Out the Feature Which the Court Found to Be Novel

Philips correctly states that we did not urge as a defense below the absence of words of exactitude, such as a "pre-determined or precise" from the claims. We did not, because Philips did not urge those distinctions as the measure of patentability over the prior art. For the first time in this litigation, the trial court seized upon those words as the basis for distinguishing over the prior art. Indeed, the Court could not be more explicit:

At A-64a,

"The prior art indicates the widespread use of capillary action to fill minute gaps but in none is the

precise size of the gap of great importance or predetermined."

At A-65a,

"The crucial feature, in the Court's view, is the use of capillary action to fill a preset gap of precise, reproducible dimensions."

In our main brief, we pointed out that even if such words of exactitude were in the claims, the claims would still not measure up to the standard of patentability required by this Circuit but, in fact, not a single claim is limited to any such feature of precision. Philips, apparently agrees with us as it does not contend that the claims include such features. Instead, it argues that the novelty resides in filling a pre-set gap by the capillary process; it emphasizes the importance of the pre-set gap.

The importance of the pre-set gap, however, which it did urge below was found anticipated by the trial court in Duinker (DX-K, A-529a), and to be of no patentable substance (A-62a).

Thus, Philips finds itself in a dilemma; the court found the distinction to be in filling a "precise and predetermined" gap, but Philips recognizes that such distinctions, not being recited in the claims, are of no help to it. It, therefore, resorts back to the pre-set gap argument, but the court found the pre-set gap to be anticipated in the prior art. Apparently both agree, however, that capillary, as the underpinning for patentability is insufficient.

**The Claims Are Directed to A Process In Which
One Old Step Is Substituted for Another Old Step
Producing No Synergistic Result**

The Supreme Court has made very clear in its last two decisions* that a claim directed to an old combination to be patentable must be unobvious and produce an unexpected or synergistic result.

The argument by Philips at pp. 55-57 of its typewritten brief urging the indefiniteness of the word "syngerism," is the same argument presented to the Supreme Court in the briefs filed in support of the Petition for Rehearing filed by the Respondent in the *Sakraida* case; the Petition was promptly denied by the Supreme Court.

Philips suggests (or pretends) confusion when the word is used in the context of mechanical and electrical devices. We believe anyone who wants to comprehend the word has no difficulty whatever in understanding precisely what is intended by the Court when it requires a synergistic result as a *sine qua non* for a valid old combination patent. The word was, perhaps, first introduced into the patent jargon by Justice Douglas in *Anderson's-Black Rock, Inc. v. Pavement Salvage Co., Inc.*, 396 U.S. 57 (1969). The patent in that case was directed to a road pavement machine which included a radiant burner for heating the exposed edge of a cold strip of pavement. Previously, two separate machines were used for paving and heating respectively. The Court invalidated the patent on the ground that merely combining into one machine the components of two machines where each performed only its expected function was not a patentable innovation. It was a commercial success and an improvement but to justify a patent more

* *Dann v. Johnston*, — U.S. —, 47 L.Ed. 2d 696, 96 S.Ct. (1976); and *Sakraida v. Ag Pro, Inc.*, — U.S. —, 47 L.Ed. 2d 784, 96 S.Ct. (1976).

was required. A combination of old components must produce more than the sum of the individual functions. That is, the synergistic result is something more than two plus two being added together to make only four. (*A&P*, supra, 340 U.S. at 152). We submit, there is nothing abstruse or esoteric about the concept or its application. To articulate it and apply it to the instant situation, however, is to sound the death knell for the Philips' patent.

Establishing a gap of dimensions mandated by its commercial application in a computer core was old as was filling the gap with glass. Using either the sandwich technique or the capillary technique was a routine endeavor making use of existing skills and knowledge. Placing the glass between the shim-spaced pole faces (sandwich technique), or at the edge of the pole faces (capillary technique) and subjecting the assembly to a temperature sufficient to melt the glass produced only the expected result. The glass flowed to fill the space in either case, and the glass bonded the ferrite pole faces precisely as in the prior art. Clearly, there was no unexpected result. It was precisely a two plus two operation which produced only the expected sum of four.

**The Cases Cited By Philips Are Distinguishable;
The Most Recent Cases Cited By the Supreme
Court and By This Circuit Are Dispositive**

The most recent Supreme Court cases have been discussed in our main brief and earlier in this brief, and we shall not belabor the Court by repeating the reasons why we believe those cases expound principles which are appropos here.

The most recent case decided by this Court is *MacLaren et al. v. B.I.W. Group, Inc.*, — F.2d —, (Decided May 20, 1976), finding a patent pertaining to a collapsible sup-

port assembly for a baby stroller invalid for obviousness. First, on the impact of Rule 52(a), F.R.Civ.P., the Court stated that,

“* * * where the material facts are undisputed or the findings are based on documentary evidence which we are as competent to appraise as the district court, we have not hesitated to reject a determination of validity.”*

That statement of the Rule is applicable herein.

Second, on the question of claim evaluation, the appellant contended that the feature found by the court to be novel, i.e., one-hand folding of the patented structure was not mentioned in the claims and therefore the claims were invalid (p. 3784). This Court agreed with appellant that the claims were not so limited, and therefore would be appraised as worded (p. 3790). In the instant case, the court found that the only point of novelty was in applying the capillary process to fill a gap of precise dimensions. As discussed previously, the preciseness or impreciseness of the gap is not specified in the claims.

Third, on the question of the standard of patentability, this Court said,

“Nevertheless, because the social costs of a patent monopoly can be great, courts have not been lax in closely scrutinizing the ‘non-obviousness’ of a claimed invention and disregarding patents that follow too closely in the wake of their predecessors. [citing cases]. In short, § 103 mandates a ‘rather rigorous standard’ in judging whether the claimed new invention was non-obvious.” (p. 3793)

This Court then found that while none of the prior art combined all the claimed features, each feature “was fore-

* Page 3783 of the Slip Opinion.

shadowed in at least two of the predecessor collapsible assemblies." (p. 3795) In the instant case, the claimed process is simply the use of the old capillary process to fill the pre-set gap of the old Duinker core.

Philips cites *Timely Products Corporation v. Arron*, 523 F.2d 288 (2 Cir. 1975), as support for the importance which should be attached to the "secondary considerations," such as commercial success, etc. This Court in *Timely Products*, p. 294, stated that such secondary considerations are to be considered *after* a preliminary determination of the precise subject matter at issue had been completed. Philips argues that the secondary considerations are termed "secondary" only because they are considered after the primary factors, and not because they are of lesser importance.* The argument, however, was put to rest by this Court in the *B.I.W.* case, at p. 3793:

"In addition, a court legitimately may consider such matters as the commercial success of the claimed invention and its satisfaction of long-felt needs, although such criteria are of *distinctly secondary importance*." (Emphasis added)

The *Timely Products* case involved a patent that pertained to a battery heated sock. This Court affirmed the lower court's decision of obviousness. The perspicacity required for the concept of using a battery to heat the wires of an electric sock is about equal to that of using the capillary process for filling a gap of any fillable dimension.

Reiner v. I. Leon Co., 285 F.2d 501 (2 Cir. 1960), also cited by Philips is best known for its recitation of the "sign posts" of patent evaluation. The signposts mentioned in that case were all of the "secondary consideration" type. In light of the later, *Graham v. John Deere Co.* case, 383

* Philips' typewritten brief p. 36, fn.

U.S. 1 (1966), and the *B.I.W.* case, both subordinating the significance of the sub-tests, the rule of the *Reiner* case has been substantially blunted. In any event, we submit, for the reasons earlier discussed, Philips does not begin to satisfy even the sub-tests.

Lyon v. Bausch & Lomb Optical Co., 224 F.2d 530 (2 Cir. 1955), is another case cited by Philips decided prior to the *Graham-John Deere* case, and should be evaluated accordingly. Indeed, in that case, Judge L. Hand speaking for this Court expressed the view that the Act of 1952, and particularly § 103, was a relaxation of the standard that was expressed by the courts during the preceding 20-25 years (224 F.2d 535). (The *A&P* case, a landmark decision, had been decided in 1950, five years prior to the *Bausch & Lomb* case). The Supreme Court in the *Graham-John Deere* case (1966), however, indicated that the Act of 1952 did not relax the standard of patentability, and reaffirmed the standard of the *A&P* case. According to Judge Hand, if the standard of the *A&P* case (or now the *Graham v. John Deere* case) were applied, as it should have been, the claims would have been invalid (224 F.2d 535). In any event, the facts of the *Bausch & Lomb* case are distinguishable. In that case, the vitalizing step of the process, the deposition of a coating on an optical surface while the surface was maintained hot, was a novel concept (224 F.2d 532). In the instant case, the substituted step in the old process was capillary which was not novel, but quite to the contrary, was notoriously old and widely used in the same and related industries.

Philips also cited *Eibel Process Co. v. Paper Co.*, 261 U.S. 45 (1923). The patent in that case pertained to a Fourdrinier machine useful in the paper making industry. The machine utilizes a "making-wire," and the patent was directed to elevating or raising the pitch of the wire. The Court, however, found the patent valid on the ground that

Eibel discovered the source of the problem or trouble, and he was awarded the patent for solution of that problem. In the instant case, the record does suggest the existence of any problem. Philips devotes a large part of its brief to the "bubble" problem, to which the court after hearing all evidence paid no heed whatever. The court saw it for what it was; a lawyer contrived argument developed for the sole purpose of attempting to breath life into a moribund patent.

The remaining cases cited by Philips are even more distinguishable. In none is the patent directed merely to the substitution of one old step for another old step in a conventional process. No matter how Philips tries to embellish the Peloschek patent by fabricating a problem, and by obscuring the absence of any inventive act by an innundation of words in a 67 page brief*, the Peloschek patent is directed simply to the Duinker core with a pre-set gap and the substitution of one old process for filling that gap with another old process. That and that alone is the totality of the Peloschek patent. A reach into the fund of resources, formerly freely available, and an attempt to prevent anyone from using for a period of 17 years one of the widely used tools in this industry, the capillary process.

* Its typewritten brief.

CONCLUSION

Thus, we respectfully submit, under any rule of law, whether it requires merely unobviousness, or unobviousness plus a synergistic result, the patent herein fails and does not begin to measure up to the strict standard of patentability established by the Supreme Court and by this Circuit.

Respectfully submitted,

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hereby admitted this

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